

August 24, 2001

Mr. Raymond R. Ashcraft
Alliance Coal, LLC
771 Corporate Drive, Suite 1000
Lexington, Kentucky 40502

Re: Gibson County Coal LLC, Princeton, Indiana
A051-13641-00039
Amendment to Construction and Operation
CP 051-5839 Plt ID 051-00039

Dear Mr. Ashcraft:

On, October 21, 1996, the Office of Air Quality (OAQ) issued a Construction and Operation Permit for a 547,500 tons of coal per month, underground coal mine and a 750 tons of coal per hour, coal preparation plant. On December 15, 2000, OAQ received a letter requesting an amendment to Construction and Operation Permit 051-5839. These changes include the construction of two (2) enclosed silos and changing operation of two (2) open stockpiles.

No new Federal or State Rules have been implemented since construction permit issuance that would require additional review of these facilities. There will be no increase in production above the tonnage presently allowed under the original operation permit and no increase in emissions. The source has been limited to allowable PM/PM10 56.8 pounds per hour and 249 tons per year. Therefore, CP 051-5839 (page 1 of 4) is hereby amended (changes are bolded) as follows:

- b) one (1) coal preparation plant with a maximum production capacity of 750 tons of coal per hour. The coal preparation plant operations shall consist of enclosed crushing, screening, conveying and cleaning/washing, **one (1) raw coal silo with storage capacity of 7,500 tons of coal, one (1) clean coal silo with storage capacity of 10,000 tons of coal, one (1) raw coal stockpile with storage capacity of 40,000 tons of coal, and one (1) clean coal stockpile with storage capacity of 40,000 tons of coal to be used as temporary storage when silos are full or inoperable. All transfer point are enclosed.**

This new source is subject to the Part 70 Permit requirements because the potential to emit (PTE) of at least one of the criteria pollutant is greater than or equal to 100 tons per year. This new source shall apply for a Part 70 (Title V) operating permit within twelve (12) months after this source becomes subject to Title V. All other permit conditions and limitations shall remain unchanged and in force. Please attach a copy of this amendment to the original permit.

Sincerely,

Original Signed by Paul Dubenetzky
Paul Dubenetzky, Chief
Permits Branch
Office of Air Quality

tlf

cc: File-Gibson County Coal Corp.
Gibson County Health Department
Air Compliance Section Inspector Scott Anslinger
Compliance Data Section - Karen Nowak
Permit Branch Tracking - Cynthia Bymaster
Technical Support and Modeling - Michele Boner

Indiana Department of Environmental Management (IDEM) Office of Air Quality

Technical Support Document (TSD) for Amendment to Construction Permit

Source Background and Description

Source Name: Gibson County Coal LLC
Source Location: US 41 and Lyle Station Road, Princeton, Indiana 47670
County: Gibson
Amendment No.: A 051-13641-00039
Amended Permit No.: CP131-5839
SIC Code: 1241
Permit Reviewer: Teresa Freeman

The Office of Air Quality (OAQ) received a letter requesting an amendment to Construction and Operation Permit 051-5839. These changes include the construction of two (2) enclosed silos and changing operation of two (2) open stockpiles. CP 051-5839 (page 1 of 4) is hereby amended (changes are bolded) as follows:

- a) one (1) underground coal mine capable of mining 547,500 tons of coal per month. The coal mine shall consist of product removal and transporting operations, and
- b) one (1) coal preparation plant with a maximum production capacity of 750 tons of coal per hour. The coal preparation plant operations shall consist of enclosed crushing, screening, conveying and cleaning/washing, **one (1) raw coal silo with storage capacity of 7,500 tons of coal, one (1) clean coal silo with storage capacity of 10,000 tons of coal, one (1) raw coal stockpile with storage capacity of 40,000 tons of coal, and one (1) clean coal stockpile with storage capacity of 40,000 tons of coal to be used as temporary storage when silos are full or inoperable. All transfer point are enclosed.**

History and Background

Gibson County Coal Corporation was issued a permit on October 21, 1996 for construction and operation of a 547,500 tons of coal per month, underground coal mine and a 750 tons of coal per hour, coal preparation plant. On May 22, 1998, IDEM, OAQ issued an amendment (A051-9731) to the original permit to extend the commencement of construction for a period of April 21, 1998 to September 21, 1999. On August 16, 1999, IDEM, OAQ issued an amendment (A051-11206) for a name change to Gibson County Coal LLC, a wholly-owned subsidiary of MAPCO Coal, Inc. On November 3, 1999, IDEM, OAQ issued an amendment (A051-11400) to extend the commencement of construction for a period of September 21, 1999 to September 21, 2000. Gibson County Coal LLC began construction in March of 2000.

Source Status

No new Federal or State Rules have been implemented since construction permit issuance that would require additional review of these facilities. There will be no increase in production above the tonnage presently allowed under the original operation permit and no increase in emissions. The source has been limited to allowable PM/PM10 56.8 pounds per hour and 249 tons per year. The PTE for PM and PM10 after controls, based on 4000 hours of operation in the original permit was 169 for the entire source. PTE for PM and PM10 after controls, based on 4000

hours of operation with the changes is 166 for the entire source.

326 IAC 2-7 (Part 70 Permit Program)

This new source is subject to the Part 70 Permit requirements because the potential to emit (PTE) of:

- (a) at least one of the criteria pollutant is greater than or equal to 100 tons per year,
- (b) a single hazardous air pollutant (HAP) is greater than or equal to 10 tons per year, or
- (c) any combination of HAPs is greater than or equal to 25 tons/year.

This new source shall apply for a Part 70 (Title V) operating permit within twelve (12) months after this source becomes subject to Title V.

Recommendation

The staff recommends to the Commissioner that the amendment be approved. This recommendation is based on the following facts and conditions:

Information, unless otherwise stated, used in this review was derived from the amendment request and additional information submitted by the applicant.

An amendment request for the purposes of this review was received on December 15, 2000. Additional information was received on April 16, 2001.

Conclusion

The amendment of CP 051-5839 will be subject to the conditions of the attached Amendment No. A 051-13461-00039.